

## Message Text

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63

ACTION ARA-20

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-11 L-03

NSAE-00 NSC-07 PA-04 RSC-01 PRS-01 SP-03 SS-20 AID-20

COME-00 EB-11 FRB-03 TRSE-00 XMB-07 OPIC-12 CIEP-03

LAB-06 SIL-01 OMB-01 STR-08 CEA-02 AGR-20 USIE-00

INRE-00 NSCE-00 SSO-00 DLOS-07 DRC-01 /183 W

----- 070458

O R 141945Z AUG 74

FM AMEMBASSY GEORGETOWN

TO SECSTATE WASHDC IMMEDIATE 0145

INFO AMEMBASSY CARACAS

AMEMBASSY PORT OF SPAIN

AMEMBASSY BRIDGETOWN

AMEMBASSY KINGSTON

LIMITED OFFICIAL USE GEORGETOWN 1428

E.O. 11652: N/A DECONTROL UPON RECEIPT

TAGS: EFIN, ECON, VE, GY

SUBJECT: \$US 15.7 MILLION VENEZUELAN LOAN TO GUYANA

REF: GEORGETOWN 1081

1. GOG PRESS ANNOUNCED TODAY 8/14 US \$15.7 MILLION INTEREST FREE LOAN FROM VENEZUELA TO BE REPAID OVER TWENTY YEARS, WITH FIVE YEAR GRACE PERIOD. LOAN REPRESENTS MAJOR BREAKTHROUGH IN GUYANA-VENEZUELA RELATIONS, AND IS LARGEST SINGLE OFFER OF ASSISTANCE TO GUYANA SINCE ONSET OF FINANCIAL CRISIS.

2. COMMENT:

LOAN WILL MOST LIKELY BE USED TO FINANCE ONGOING CAPITAL PROJECTS SUCH AS SEA DEFENSES AND AGRICULTURAL EXPANSION. LOAN PLUS UNEXPECTED HIGH YIELD FROM SUGAR EFFORT  
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LEVY (NOW ANTICIPATED TO BE ABOUT US\$29 WILLION) COULD SALVAGE GOOD

PORTION OF GOG'S 1974 CAPITAL EXPENDITURE PROGRAM. CAPITAL BUDGET IS OFFICIALLY SET AT US \$82.5 MILLION BUT PROBABLY WILL NOT GREATLY EXCEED LAST YEAR'S LEVEL OF US\$46.6 MILLION, WHEN REDUCED TO REFLECT PRICE INFLATION. IT IS WORTH NOTING THAT GOG BASED 1974 CAPITAL PROGRAM ON ASSUMPTION IT WOULD RECEIVED US\$36 MILLION

IN LOANS FROM OTHER THAN TRADITIONAL SOURCES.

EXTRA BORROWING TO MEET PAYMENTS OF IMPORT BILL AS WELL AS FOR DEVELOPMENT PROGRAMS, UNLESS IT CAN NEGOTIATE TERMS AS SOFT AS THOSE VENEZUELA OFFERED. KREBS

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PRESS COMMENTS, ECONOMIC ASSISTANCE, FOREIGN RELATIONS, JOINT VENTURES, LEVIES, GOVERNMENT EXPENDITURES, PROGRAMS (PROJECTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 14 AUG 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CollinP0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974GEORGE01428  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740223-0706  
**From:** GEORGETOWN  
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**Line Count:** 72  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION ARA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** GEORGETOWN 1081  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** CollinP0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 11 SEP 2002  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <11 SEP 2002 by WorrelSW>; APPROVED <25 FEB 2003 by CollinP0>  
**Review Markings:**

Declassified/Released  
US Department of State  
EO Systematic Review  
30 JUN 2005

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** \$US 15.7 MILLION VENEZUELAN LOAN TO GUYANA  
**TAGS:** EFIN, ECON, VE, GY  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005